

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7060

BILL NUMBER: HB 1359

NOTE PREPARED: Mar 7, 2013

BILL AMENDED:

SUBJECT: Age-restricted housing programs.

FIRST AUTHOR: Rep. Huston

FIRST SPONSOR: Sen. Merritt

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows a redevelopment commission to establish a program for age-restricted housing. The bill specifies the findings that the redevelopment commission must make before adopting the age-restricted housing program. It provides that all of the rights, powers, privileges, and immunities that may be exercised by a redevelopment commission in blighted, deteriorated, or deteriorating areas may be exercised by the redevelopment commission in implementing its program for age-restricted housing, including levying a special tax, issuing bonds or entering into leases, and allocating incremental property tax revenue.

Effective Date: May 15, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary:* If there is an increase in development because of the use of TIF, the new property would, at some point, be placed on the tax rolls. The added assessed value would reduce tax rates and reduce revenue losses due to circuit breakers. However, if one assumes that the investment would be made independent of TIF, the delay in the property being placed on the tax rolls results in a delay of the property tax burden shift from all taxpayers to the owners of the new property until the property is placed on the tax rolls.

Background: This bill allows redevelopment commissions in all counties establish age-restricted housing programs. Property taxes in the area may be allocated to the project.

The base AV of the allocation area would be equal to the AV of real property on the assessment date that precedes the date on which the allocation area is established. Property taxes paid on valuation in the allocation area that exceeds the base valuation would be deposited into the allocation fund. Money in the allocation fund may be used only for purposes related to the accomplishment of the purposes of the program.

State Agencies Affected:

Local Agencies Affected: Local redevelopment commissions.

Information Sources:

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